

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION OF INTERLATA CARRIER)	ADMINISTRATIVE
BILLED MINUTES OF USE AS A ULAS)	CASE NO. 311
ALLOCATOR)	

O R D E R

IT IS ORDERED that the parties identified below shall file an original and 12 copies of the following information with the Commission, with a copy to all parties of record. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to insure that it is legible.

The information requested is due no later than February 6, 1989. If the information cannot be provided by this date, a motion for an extension of time must be submitted stating the reason for the delay and the date by which the information can be furnished. The Commission will give due consideration to such motions.

AT&T Communications of the South Central States, Inc. ("AT&T")

1. In prefiled testimony at page 3, Mr. Sather states that "billed access minutes do not include any surrogate access minutes for private line-type services under the access tariff." Are surrogate measures of private line usage used in interstate and/or intrastate access services tariff? Explain the nature and purpose of any such surrogates.

2. In prefiled testimony at page 4, Mr. Sather states that adoption of a surrogate measure of private line usage would perpetuate administrative problems encountered with the channel count methodology. In detail, describe the customer billing records that AT&T maintains for private line services and AT&T's private line services billing progress. Provide an example of a typical private line services customer billing record and bill format.

3. In prefiled testimony at pages 3-4, Mr. Sather states AT&T's opposition to adoption of a surrogate measure of private line usage. With reference to the Commission's Order in this case dated September 29, 1988, at page 24, explain in detail AT&T's position on the following points:

(a) What measures can the Commission take to minimize incentive to migrate customers from switched services to private line services?

(b) What measures can the Commission take to minimize stranded investment that might result from such customer migration?

(c) What measures can the Commission take to recognize that private line services can contribute to non-traffic sensitive cost?

4. Provide the number of AT&T intrastate private line circuits in service by principle service category - e.g., voice grade and non-voice grade circuits. Use the most recent available information.

5. In prefiled testimony at page 7, Mr. Sather states that AT&T 800 Readyline service increases utilization of the switched network, which should allay the Commission's concerns over stranded plant. Provide the factual basis for this statement.

MCI Telecommunications Corporation ("MCI")

1. In prefiled testimony at page 3, Mr. Burnette states MCI's opposition to adoption of a surrogate measure of private line usage. With reference to the Commission's Order in this case dated September 29, 1988, at page 24, explain in detail MCI's position on the following points:

(a) What measures can the Commission take to minimize incentive to migrate customers from switched services to private line services?

(b) What measures can the Commission take to minimize stranded investment that might result from such customer migration?

(c) What measures can the Commission take to recognize that private line services can contribute to non-traffic sensitive cost?

2. In prefiled testimony at page 4, Mr. Burnette states that adoption of a surrogate measure of private line usage would perpetuate administrative problems encountered with the channel count methodology. In detail, describe the customer billing records that MCI maintains for private line services and MCI's private line services billing process. Provide an example of a typical private line services customer billing record and bill format.

3. Provide the number of MCI intrastate private line circuits in service by principle category of service - e.g., voice grade and non-voice grade circuits. Use the most recent available information.

4. Are surrogate measures of private line usage used in interstate and/or intrastate access services tariff? Explain the nature and purpose of any such surrogates.

US Sprint Communications Company, Limited Partnership ("US Sprint")

1. In prefiled testimony at page 5 and elsewhere, Mr. Key states US Sprint's opposition to adoption of a surrogate measure of private line usage. With reference to the Commission's Order in this case dated September 29, 1988, at page 24, explain in detail US Sprint's position on the following points:

(a) What measures can the Commission take to minimize incentive to migrate customers from switched services to private line services?

(b) What measures can the Commission take to minimize stranded investment that might result from such customer migration?

(c) What measures can the Commission take to recognize that private line services can contribute to non-traffic sensitive cost?

2. In prefiled testimony at page 6, Mr. Key states US Sprint's position that no non-traffic sensitive costs are associated with the provision of private line services.

(a) Does US Sprint terminate private line services in customer premises equipment - e.g., private branch exchanges - capable of leaking traffic into the local switched network?

(b) Can US Sprint's customers use customer premises equipment - e.g., private branch exchanges - to switch communications terminated over a private line connection into the local switched network? In the event the response is "no," explain any precautions that US Sprint takes to avoid such occurrences.

(c) Can communications terminated over a private line connection that are "leaked" into the local switched network cause the construction of non-traffic sensitive facilities that might not otherwise be constructed? In the event the response is "no," explain why such an outcome is theoretically impossible.

3. In prefiled testimony at page 11, Mr. Key states US Sprint's position that at least some and perhaps all private line usage represents economic bypass. Provide any analysis in US Sprint's possession that indicates the proportion of private line

usage that represents economic bypass and the proportion that represents uneconomic bypass.

4. In prefiled testimony at page 13, Mr. Key states US Sprint's position that a surrogate measure of private line usage would not yield improvements in administrative efficiency over the channel count approach. In detail, describe the customer billing records that US Sprint maintains for private line services and US Sprint's private line services billing process. Provide an example of a typical private line services customer billing record and bill format.

5. Are surrogate measures of private line usage used in interstate and/or intrastate access services tariff? Explain the nature and purpose of any such surrogates.

6. Provide the number of US Sprint intrastate private line circuits in service by principle service category - e.g., voice grade and non-voice grade circuits. Use the most recent available information.

Done at Frankfort, Kentucky, this 23rd day of January, 1989.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Executive Director